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STATEMENT OF MR. LOYD WRIGHT, CHAIRMAN OF
THE COMMISSION ON GOVERNMENT SECURITY,
BEFORE THE POST OFFICE AND CIVIL SERVICE
COMMITTEE OF THE U. S. HOUSE OF
REPRESENTATIVES, WASHINGTON, D.C.,
JULY 16, 1957.

Mr. Chairman and Members of the Committee on Post Office and Civil Service: Thank you for this opportunity to appear before your Committee and to discuss the bills introduced by the Chairman, by Congressman Rees, and by Congressman Heistand which have been submitted for your deliberations.

At the outset, Mr. Chairman, perhaps you will permit me to offer a word of commendation to the Committee for the interest in the security of the Nation, and the concern for the rights of all persons affected by the federal security programs, which you have demonstrated by commencing these hearings so promptly after the receipt of our Report and the introduction of the bills.

The entire federal security program, and particularly the federal civilian employees program, warrants your early consideration. Since the Supreme Court decision in the case of Cole v. Young, handed down last June, the status of the program under existing authority has been hanging in doubt. For the past year the responsible officials in the executive branch have carried on with temporary and makeshift procedures. Permanent measures have been deferred pending the submission of the Report of the Commission on Government Security, and it is from that Report, delivered approximately three weeks ago, that the bills now under consideration were derived. One of the bills before you incorporates the recommendations without change, and the others alter them in only one particular.

Since the work of the Commission supplies the foundation for the proposals before you, a few words to describe its origin and its approach should be in order.

The Commission was established by the unanimous vote of the 84th Congress, "to study," in the words of the Act, "and investigate the entire Government security program." It may not be amiss for me to review briefly the broad mandate under which we labored. Public Law 304, Section 1, reads as follows:

"It is vital to the welfare and safety of the United States that there be adequate protection of the National Security, including the safeguarding of all national defense secrets and public and private defense installations, against loss or compromise arising from espionage, sabotage, disloyalty, subversive activities, or unauthorized disclosures.

"It is, therefore, the policy of the Congress that there shall exist a sound government program -

"(a) Establishing procedures for security investigation, evaluation, and, where necessary, adjudication of government employees, and also appropriate security requirements with respect to persons privately employed or occupied on work requiring access to national defense secrets or work affording significant opportunity for injury to the National Security;

"(b) For vigorous enforcement of effective and realistic security laws and regulations; and

"(c) For a careful, consistent, and efficient administration of this policy in a manner which will protect the National Security and preserve basic American rights."

The need for a study of this kind had been fully developed in extensive hearings conducted by the Senate Subcommittee on Reorganization of the Committee on Government Operations, under the chairmanship of Senator Hubert Humphrey. Testimony and statements had been received from officials of Government, industry, education, science, the press, veterans organizations, and civic and patriotic organizations. In reporting favorably on the bill to create the Commission, the Committee stated:

"The evidence before the Committee shows that our security system has developed in a gradual and piecemeal manner over the past decade. It should receive a careful, comprehensive review by the representative, bipartisan Commission proposed in this bill."

The Commission so established was composed of twelve members, four appointed by the President, four by the President of the Senate, and four by the Speaker of the House. Half of the Commissioners were chosen from positions in the Federal Government, two each from the House of Representatives, the Senate, and the Executive Branch. The remaining six were appointed from private life. Your distinguished colleagues in the House who served on the Commission were the Honorable William M. McCulloch of Ohio and the Honorable Francis E. Walter of Pennsylvania. From the Senate there were the Honorable Norris Cotton of New Hampshire, and the Honorable John Stennis of Mississippi, who served as Vice-Chairman of the Commission. Representing the Executive Branch were the Honorable F. Moran McConihe, Commissioner, Public Buildings Service, who was appointed when the Honorable Carter L. Burgess, former Assistant Secretary of Defense and original appointee, returned to private life, and the Honorable Louis S. Rothschild, Under Secretary, Department of Commerce. From private life came two eminent educators, Dr. Franklin D. Murphy, Chancellor of the University of Kansas, and Dr. Susan B. Riley, Professor of English, George Peabody College for Teachers, Nashville, Tennessee. The Honorable James P. McGranery, former United States Attorney General, the Honorable Edwin L. Mechem, Governor of New Mexico, and the Honorable James L. Noel, Jr., attorney at law, Houston, Texas, completed the membership of the Commission.

The Commission went about its work as expeditiously and as thoroughly as possible. We endeavored to follow faithfully the mandate of the Congress in every particular. We solicited the advice and the experience of the Government's most well-informed security officials, and of persons in all segments of American industry and labor. Suggestions were sought from a vast number of private organizations and citizens. We received valuable aid from representatives of the press, education, science, and religion. Interviews were conducted in and out of Government with responsible officials and experts from various fields. With the assistance of a directive from the President, we enjoyed the unreserved cooperation of the executive agencies and departments of government. Original files and basic documents were carefully examined, and the reports and transcripts of Congressional Committees, including those of your Committee, were thoroughly studied both for facts and for informed opinion.

Although we were occasionally criticized for not releasing public statements or holding public hearings, we felt that the delicate task committed to the Commission could be more effectively performed if we directed our efforts solely toward the job to be done. To the best of our ability we tapped the knowledge and experience of the past and the present, giving everyone an opportunity to confer privately or furnish us with recommendations. Too often in the past, public debate on security matters has been beclouded by clashes of personality, and too much heat and too little light have been generated. Rightly or wrongly, we adopted our course in the belief that these distractions must be avoided if we were to preserve the impartial and judicious approach demanded by our appointed task.

The Commission undertook to carry out its responsibilities objectively and dispassionately, without fear or favor. Its conclusions represent the considered and measured judgment of the sincere and dedicated men and woman of the Commission, assisted by a competent and equally dedicated staff. Our goal was to recommend a program adequate and effective to safeguard the Nation's security, with the least possible intrusion upon the traditional rights and privileges of its citizens. Our prime concern was the Nation's security, the preservation of the American way of life, and the safety of its citizens. It is an inescapable truth that unless we stand secure, the rights we cherish will be lost. Within these limits, we sought to afford every possible protection for the interests of the individual citizen.

The results of the Commission's investigations, study, and deliberations are contained in its Report of June 21, 1957. In obedience to the expressed Congressional policy, the recommendations cover the entire security system. The Report deals with the programs affecting Federal civilian and military personnel, industrial security, atomic energy, port and civil airport security, the employees of international organizations, passport regulation, and aliens and naturalization. Pertinent criminal statutes are also analyzed, although unfortunately the resulting proposals are not yet understood by some segments of the public and the press. While the program we have recommended should be viewed as a comprehensive whole, the heart of the plan is contained in the bill you are considering today.

I will not undertake to explain this proposal, section by section and in all its detail. I have prepared and submitted for the use of the Committee and its staff a separate written statement covering, in greater particularity, the individual sections of the bill. In these remarks I will limit myself to a general description of the recommendations, and a brief explanation of the working philosophy that underlies the proposal. Speaking very broadly, the Commission believes that a realistic and effective security program is imperative in the interests of national self-preservation, and that the basic structure of the existing system should be preserved. But the Commission did not share the view of some who think that the present haphazard arrangement should remain as it stands. It was because the existing program was born of emergency and expediency, and because of this obdurate attitude, that the Congress found it necessary to create the Commission.

Objective analysis of the Nation's security efforts has been hampered in the past by the lack of a sound factual foundation for discussion. Inadequate information has fostered misunderstanding and suspicion. We cannot assert that every person excluded from Federal employment or clearance to sensitive information would have proved disloyal. But with the survival of the Nation at stake, absolute certainty is not the test. The world we live in has deprived us of choice. A positive, effective program to protect the security of the Nation will be an inevitable feature of American life in our time. America's security cannot be served by a negative program or as some would have it, no program at all. Only an affirmative conception of security can hold the Nation strong against totalitarianism of either extreme and in all its guises.

Our Report proposes fundamental modifications in many particulars. In making our recommendations we have not subscribed to the view that a headlong choice must be made between security on the one hand and individual liberty on the other, and that to serve one we must necessarily destroy the other. The interests of the individual are inseparable from those of the Nation and improvements should be made to serve both.

This approach is embodied in our recommendations for the Federal Civilian Employees Program, a matter of primary concern to your Committee. Basic to our thinking in this difficult field is the belief that matters of loyalty should be sharply distinguished from other causes of disqualification. Under the current program, the disloyal and the purely talkative are labeled indiscriminately as security risks. The same badge of infamy attaches to a discharge for reasons of personal aberration or unwise association and to a removal for outright disloyalty. To avoid this unjust stigma upon loyal employees who are from other causes unfit to occupy sensitive positions, we have recommended wholly separate treatment for the two.

Where questions of loyalty are not involved, the problem is simply one of finding a person competent for the job that needs doing. If the position demands a man who is not only technically able but also able to hold his tongue, then discretion is as much a qualification as the ability to operate a typewriter. We believe that these are matters of suitability for the job, and we have recommended that they be treated as such. Under this proposal, the present Civil Service regulations would be amended to include, as grounds of disqualification or discharge, those defects not involving loyalty which are now covered by the security program. These cases would then be handled in accordance with the established and existing Civil Service procedures.

In the past a high percentage of cases in the security-risk class have in fact been processed under the normal Civil Service suitability regulations. Our proposal would do no more than to require the use of this route, and to make mandatory this usual practice. Because of the grave consequences, both personal and economic, that flow from an adjudication of reasonable doubt about loyalty, we have also recommended that as a general policy the suitability procedures should be employed wherever they are appropriate. Thus, in cases presenting alternative grounds for removal, where either loyalty or suitability procedures would suffice, consideration for the reputation of the employee dictates the use of the suitability grounds.

If no question of loyalty is raised, dismissal is not the only course. Transfer to a non-sensitive position may dispel the risk created by the person's shortcomings in the sensitive position. Accordingly, where the national security can be protected adequately through transfer, we recommend that it be done. For positions in the non-competitive service, where civil service regulations do not apply, similar standards and procedures should control.

As an integral part of our proposal for a revised suitability program, the Commission recommends that the Veterans' Preference Act of 1944 be amended. The Commission feels that the provisions of this Act not only impose a needless administrative burden but also violate sound personnel practice and weaken our entire system of administration by impairing the authority of the agency head.

It should be clearly understood that the Commission recommendation would not take anything away from veterans that has been granted them in the way of privileges by the Congress on behalf of a grateful Nation. It merely recommends that the responsible official of an agency should have the authority to determine whether an employee is or is not unsuitable for retention in the service. At the present time the Civil Service Commission has that authority for veterans.

A substantial majority of the Commission felt that veterans and non-veterans should be afforded equality of treatment where charges of unsuitability have been made. It is contrary to wise and efficient personnel management to vest in an outside agency the final decision as to retention of employees charged with being unsuitable. Surely the man responsible for the running of any office, in or out of government, should have the final authority to remove or suspend employees upon whom he has to depend to do the job. Section 14 of the Veterans' Preference Act makes the decision of an agency and department head a meaningless and ineffectual formality.

The Commission considered the alternative to amending Section 14 as it relates to employees of the Executive Branch of Government, and, after careful consideration, arrived at the considered opinion that to extend the benefits of Section 14 to all employees would be contrary to sound principle and at best only an expedient compromise. We, therefore, strongly urge the Congress to follow our recommendation as adopted by the bill numbered 8334.

I feel certain that the Nation's veterans and veterans' organizations will understand that the Commission's purpose was not to take away privileges from veterans but rather to rectify a situation which violates sound personnel management and impairs efficient operation of governmental machinery. In any event, all employees should be treated alike when a question of suitability for the job is raised. I am confident that our veterans seek no special privileges in the area of fitness to hold a job. It should be noted that the Hoover Commission on Reorganization of the Executive Branch made a similar recommendation as a result of its studies.

Those are the broad outlines of our proposals for revising existing suitability procedures. The other side of the coin, according to the Commission's plan, is an altered loyalty program. This program, we believed, should apply throughout the Government and to all positions. Suggestions came to us from several quarters that loyalty should not be required of a public servant in the Federal employ if his job does not involve access to restricted information or the duty of making policy in an area where the national security might be threatened. These suggestions the Commission could not accept. There is no room in the Federal service for the disloyal citizen. The American people are entitled to the assurance that their public servants entrusted with the vast powers of government are worthy of their confidence. Nothing in our laws or our traditions compels us to commit our destinies to the hands of those who would betray the Nation. It is a well-established policy, both of the Congress and of the Executive Branch, that the honor and the benefits of Federal employment should be granted only to those citizens who, by their loyalty, are worthy of it. An unyielding requirement of loyalty throughout the Government is justified, too, by the difficulty of identifying those positions which afford no opportunity to injure the national security. Accordingly, for purposes of the loyalty program, the distinction between sensitive and non-sensitive positions is significant only upon the question whether a charged employee should be suspended or transferred pending the disposition of the charge.

Perhaps the most important recommendation in our Report calls for the creation of a Central Security Office. We recognize that the implementation of this recommendation would be a major step in the administrative machinery of our government. Because of its significance, I will explain in some detail its necessity and suggested functions.

The proposed office would be a small independent agency in the Executive Branch, headed by a Director appointed by the President for a six-year term. Its purpose would be to establish procedures for the hearing and appeal of security or loyalty cases and to assist in the coordination of the civilian employees' program, the industrial security program, the port security program, the civil air transport security program, and the document classification program. It would provide hearing examiners for individual hearings and for proceedings against organizations the Attorney General proposes to designate as subversive.

It should be made abundantly clear at the outset that the Central Security Office would in all matters serve only in an advisory capacity to the heads of the various agencies. It would have no final authority and its recommendations would not be mandatory. Only the President would have the authority to order changes in executive operations. The Commission studied these programs individually and as a whole. Many deficiencies were discovered in the separate programs and specific recommendations for correction were made. In addition, the study disclosed many weaknesses that cut across the board, and could be found in greater or less degree in all of the programs.

We found, for example, an utter lack of uniformity in the preparation and application of rules and regulations; a lack of coordination between agencies and between divisions of the same agency; duplication of forms and records; duplication of investigations and clearances; wide dispersion of responsibility among personnel; lack of training and guidance of personnel; lack of uniformity in screening and hearing procedures. In short, perhaps the outstanding feature of our various security programs is their dissimilarity with one another.

At present, and in the past, some half-dozen offices, groups and agencies have shared the function of coordination, in an effort to bring some semblance of order and consistency to the oddly assorted programs and practices scattered throughout the Federal establishment. None of these groups has authority encompassing the full scope of the security program. In all these efforts, security coordination has been a casual, part-time job for officers whose regular responsibilities lie in other directions. Our recommendation for a regular and established coordinating agency, extending in its responsibilities to all programs, is premised upon the simple proposition that when a man holds two jobs, one is bound to suffer.

The proposed central office would supply a corps of specially trained and qualified hearing examiners to sit in loyalty cases referred by the employing department. By removing the hearing function from the department or agency, we would at the same time quell unfounded complaints of internal pressure on the hearing officers and relieve the operating establishment of an unwanted burden. At present some eighteen hundred government employees, hired to fill responsible jobs, are subject to call to serve on hearing panels. Too often those designated have been key employees who cannot readily be spared. Few of them possess the professional competence for the delicate and balanced judgments to be made. The careful decisions required in loyalty cases cannot be left to casual, amateur judges. The person whose job and reputation are in jeopardy has a right to be assured of the same standard of competence and performance he would expect from the bench in a court of law.

One of the most vexing questions raised in the Commission's work involves the individual's opportunity to face the persons who have furnished information against him, of the right of confrontation. On this matter the proposed bill follows a middle course. In a hearing on questions of loyalty, the employee would be given a general right to confront the witnesses against him, qualified only by the demands of national security in the case of a regularly established confidential informant, employed in intelligence work by an investigating agency which certifies that his identity cannot be revealed. No information supplied by other informants could be considered unless they appeared to testify, either in person or by deposition, under oath and with full cross-examination.

As a corollary to this right, the subpoena power would be conferred, to be exercised for the Government or the individual, and to extend to any person except a certified intelligence agent or an informant who supplied information on the condition that he would not be called to appear. These recommendations, if adopted, would serve at the same time to protect the interests of the Nation and of the employee. By providing a more solid foundation in fact for the decision, the plan would make for surer identification of the disloyal and guard against errors which might deprive the Government of the valued services of a loyal employee.

The requirements of confrontation would not apply, of course, at the screening stage. All information obtained would be reported, as at present, to the employing agency, and in addition the investigator would be specifically directed to include all information he collects, the good with the bad. Sources for investigation would not be discouraged or dried up, since a person requested to supply information would still be empowered to impose a binding condition that he should not be called as a witness.

To suspend a regular employee or to transfer him to a nonsensitive position pending the outcome of a loyalty hearing often carries consequences as serious as discharge. The Commission has therefore recommended that suspension should not be required as at present, but that the matter should be left to the discretion of a responsible official. Moreover, if suspension should prove necessary, the employee's compensation would be continued through the hearing stage, and actual financial losses during further proceedings would be repaid by a compensatory award if the employee should finally be cleared and reinstated.

In the interests of fairness and uniformity, the Commission has recommended a Central Review Board of three members, established within the proposed Central Security Office, to hear appeals after a hearing conducted by a single examiner. Like the findings of the examiner, decisions of the Review Board would be advisory to the head of an agency, who must be vested with the final authority. We have endeavored to supply him with the best possible advice and assistance, in the conviction that the man charged with the ultimate responsibility should have the advantage of the Board's background and experience in weighing conflicting evidence on subtle questions of loyalty.

Personnel of the Central Security Office would be available to assist agency security officers in the promulgation and interpretation of rules, regulations, and procedural guides. They would also make surveys and inspections to identify problem areas and shortcomings for which the Central Security Office would recommend remedies to the President. It is not contemplated that personnel of the proposed Office would have access to particular documents or files in the agencies and departments -- its authority would be limited to a review of procedures, practices, rules and regulations.

Program would also be followed, under these bills, in the programs concerned with the security of defense industries, ports, and civil air transport, and in these other programs the proposed Central Security Office would have a similar coordinating function.

In the field of industrial security the Commission has recommended modifications designed to strengthen the safeguards for vital information and material in the custody of private industry. Our study of current practices revealed a general lack of coordination and much duplication of forms and records. To correct the existing situation, we have recommended an important amendment to the National Security Act of 1947. This amendment would require the establishment, within the Office of the Secretary of Defense, of a new operating office to consolidate the industrial security programs of the three armed services into a single, integrated program.

Under this proposal, there would be a single set of regulations, devised, controlled, and supervised by the recommended Office of Security, to cover the whole armed forces industrial security program. Security personnel, including inspectors, would be transferred from the Army, Navy, and Air Force to work directly under this Office for purposes of implementing the program.

In order to insure maximum uniformity, the industrial security provisions of any contract would be subject to the approval of the proposed Office of Security. A single office dealing directly with industry would eliminate duplications, delay, confusion, and the waste of time and money. Industry is overwhelmingly in favor of dealing with a single office within the armed forces and the Commission believes this can only be accomplished by the location of such an office as an operating unit in the Office of

the Secretary of Defense.

Outside the Department of Defense, the Atomic Energy Commission and other Federal agencies having industrial security programs would be urged through the medium of the Central Security Office to coordinate their programs with the armed forces. We have recommended amendment of the Atomic Energy Act of 1954 to permit the A.E.C. to accept security clearances for contractor representatives granted under any other industrial security program.

The bills before you are also concerned with the designation of subversive organizations by the Attorney General. The Commission felt that the use of such a list is an essential part of the investigative process in the various loyalty and security programs. Were such a list not available, the Attorney General would still be obliged to advise the various departments and agencies as to the character of organizations to which employees or applicants for employment belong or have belonged in the past. In the belief that a reliable source of guidance is essential, the Commission sought to achieve certainty and fairness in the procedures to be observed by the Government before any organization is placed on the list. The recommended procedures are set out in our report and include a hearing and an appeal, utilizing the services of the Central Security Office.

In the international field, it is evident that United States citizens employed by international organizations are prime targets for the deceptive and corruptive processes of Communist subversion. In the face of this clear danger, our Government is obliged to take every reasonable precaution to assure that its nationals in organizations dedicated to international peace and understanding are men and women of loyalty and integrity. The Commission has made several recommendations

which should greatly strengthen this program, including the grant of the power of subpoena for hearing purposes.

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To summarize, since 1947 there has evolved a vast, intricate, confusing, and costly complex of temporary, inadequate, uncoordinated programs and measures designed to protect the Nation against the agents of Soviet imperialism. Step by haphazard step, the program grew as we gradually became more and more aware of the enormity of the dangers that beset us.

It is a tragedy, indeed, that we need any loyalty or security programs, and I fervently hope that the day will hasten when we can abolish them. Until that day, we dare not forget that the threat is not only real but formidable.

On behalf of the members of the Commission on Government Security, I commend to your consideration our report and its recommendations. We believe they will lay a firm foundation for the imperative legislative structure.

In closing, may I express my personal thanks for the opportunity of coming before you, and once more offer my commendation for the great public service you have rendered by setting the legislative machinery in motion. It is my hope that the Congress will see fit to act upon this legislation before adjournment.